

Overtime in Montgomery County Departments

CountyStat Meeting #5

April 24, 2009

CountyStat Principles

- **Require Data Driven Performance**
- **Promote Strategic Governance**
- **Increase Government Transparency**
- **Foster a Culture of Accountability**



Agenda

- **Introductions and meeting purpose**
- **Follow-up items from 1/23/2009 meeting**
- **Update: MCFRS**
- **Update: MCPD**
- **Update: DOT**
- **Update: DOCR**
- **Tracking overtime across all departments**
- **Wrap-up**



Meeting Goal

- **Monitor overtime use within MCFRS, MCPD, DOT, and DOCR**
 - Ensure proper management and cost effectiveness of overtime use
 - Highlight operational and seasonal cycles in overtime use
 - Examine the effect of current departmental practices and changes to those practices on overtime use
 - Review the effect of specific occurrences on departmental overtime

Meetings to monitor overtime use are held quarterly.
This meeting examines results from the third quarter of FY09.



Meeting Purpose

- **For each department, payroll data was used to analyze overtime, annual leave, and sick leave use each pay period.**
- **From that data, the following charts were created for each department**
 1. Overtime earned by personnel as a percentage of their annual base salary
 2. Quarterly summary of overtime hours and cost across the department
 3. Total overtime, annual leave, and sick leave hours each pay period
 4. Percent of employees claiming overtime and average number of overtime hours per employee each pay period
 5. Correlation coefficient showing the relationship between average hourly overtime wage and number of overtime hours claimed
 6. Total overtime cost each pay period



Follow-Up Items

- **Examine how individuals with high overtime earnings as a percent of salary are identified, particularly individuals in MCFRS.**
 - Overtime as a percent of total county salary will be used going forward
- **Going forward, for DOT expenditures, report storm and non-storm expenditures as separate items.**
- **Going forward, create a separate reporting system on overtime costs incurred supporting the inauguration or any other high profile events.**
 - All departments used a special project code (GEN947) to capture costs associated with the inauguration

Complete

Complete

Complete



Expenditures in Support of the 2009 Inauguration

Top Users and Uses of Funds

Departments that charged to GEN947

Department	Percent of expenditures
MCPD	65%
DOT	17%
MCFRS	8%
DGS	6%
Sheriff	2%
OEMHS	1%
DOCR	0.2%
DTS	0.1%
REC	0.1%

Top uses of inauguration funds

Subobject Code Description	Percent of expenditures
Full-time salaries	40%
Overtime	15%
Holiday premium	13%
Retirement	12%
Salt	7%
Group insurance	5%
Social Security - FICA	5%

Montgomery spent a total of \$1,319,505 on the inauguration.



Source: Financial Switchboard data for project code GEN947, as of 4/9/2009

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Follow-Up Items

- Using historic overtime data collected and monitored through CountyStat, develop a new process for budgeting overtime more accurately, based on the trends and expectations for results-based accountability.
- Complete analysis of sick leave practices (benchmarking) within Transit operations in other jurisdictions, including WMATA.

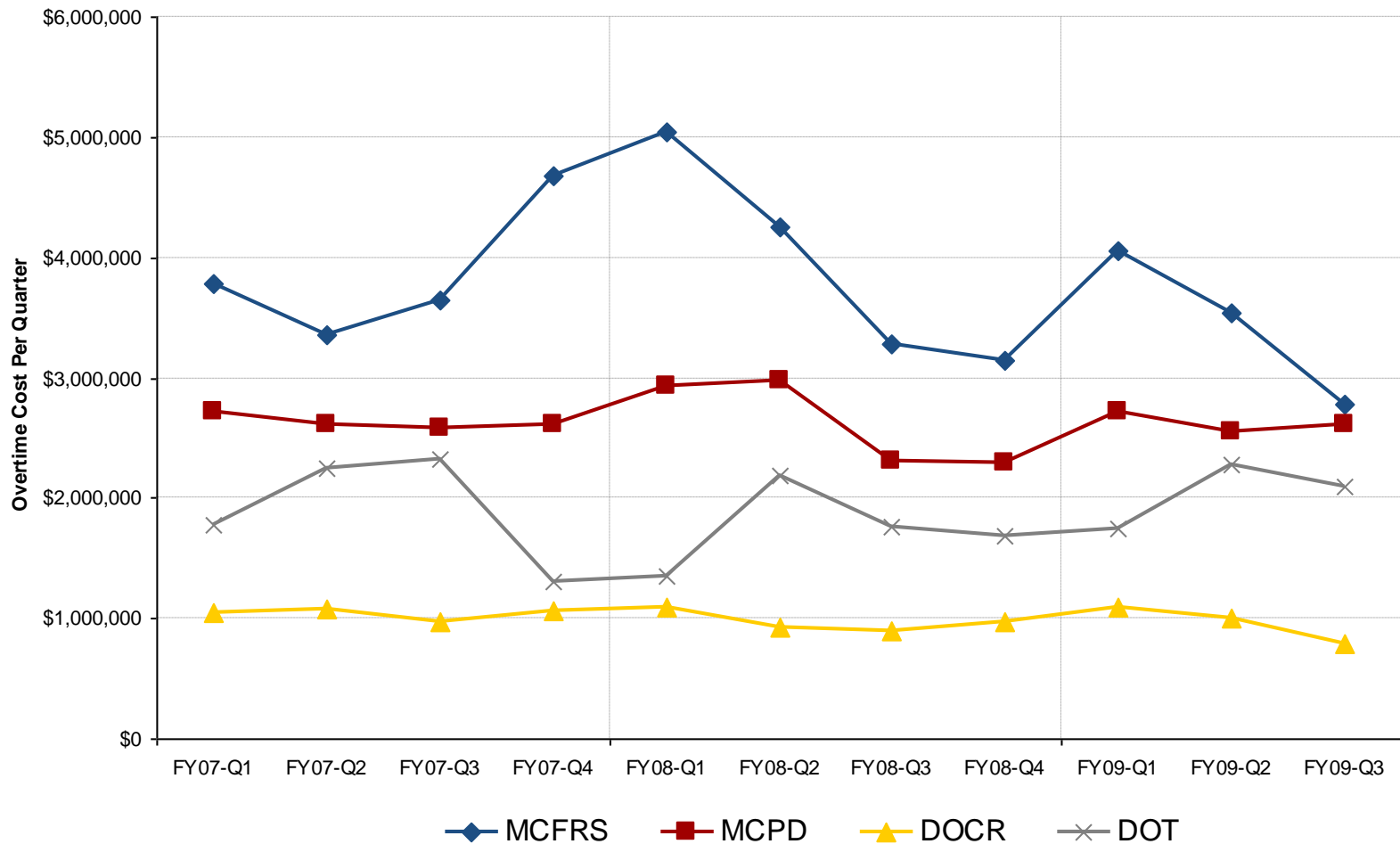
**In
Progress**

Complete



Overtime Use Trend

Cost Per Quarter

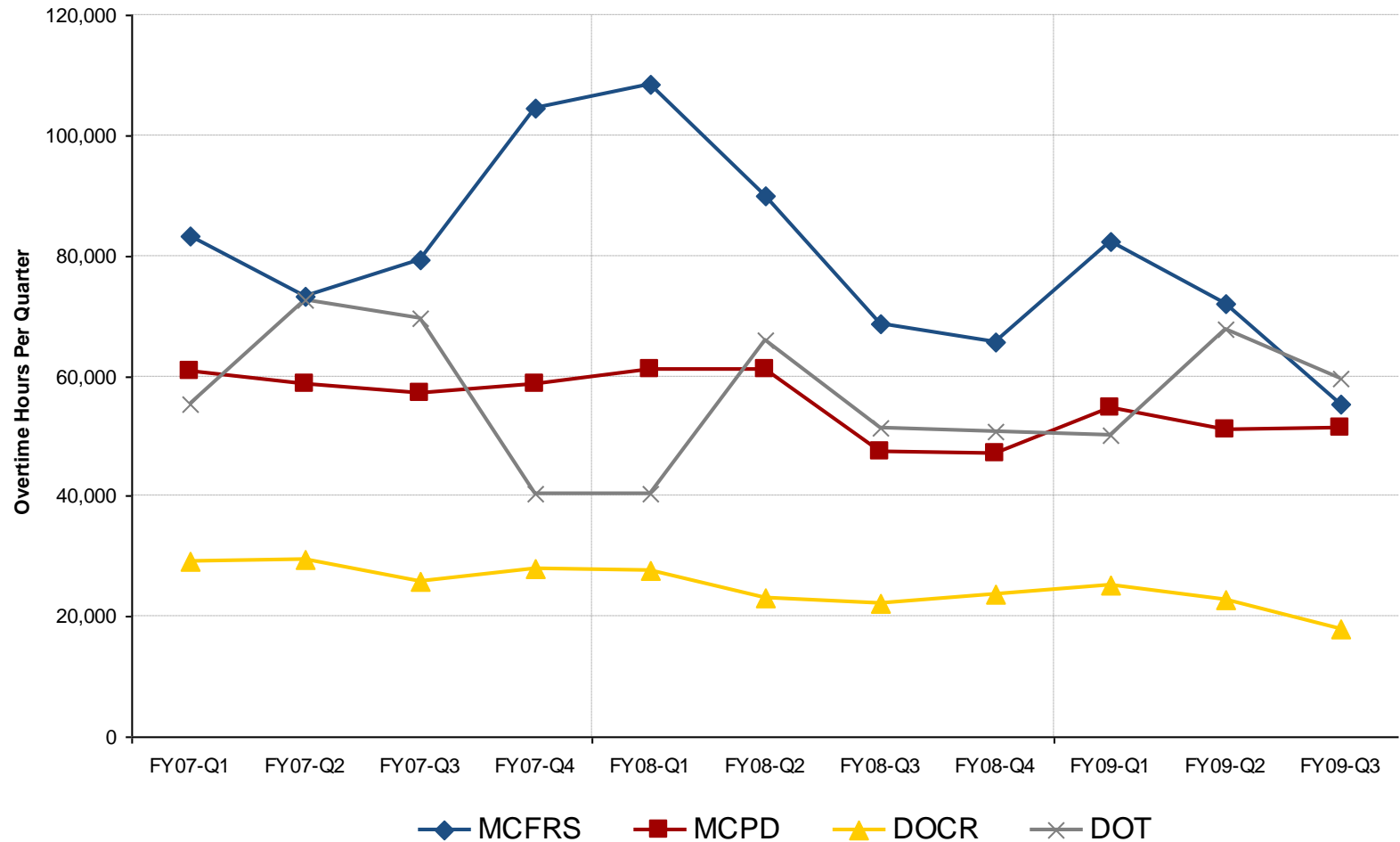


Earning codes OTP, OT2, OTH, and OTL.

Amounts prior to the reorganization have been calculated using a crosswalk of index codes provided by OMB

Overtime Use Trend

Hours Per Quarter



Earning codes OTP, OT2, OTH, and OTL.

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CountyStat

Overtime Update: MCFRS

Departmental Summary of Events

FY09 Overtime Budget	FY09 Overtime Expenditures to Date	Expenditures as a % of Budget	# of Pay Periods to Date
\$9,925,653	\$9,474,092	95%	19.4 (74.3% of FY)
Special expenditures			
Inauguration	\$61,847		

Developments in overtime use and management

- Finalizing an MOU agreement with Local 1664 for a pilot schedule change for Fire and Explosive Investigations
- Management controls implemented for hiring practices for positions needing to be filled with OTP
- Bi-monthly overtime review of recording and accounting for each MCFRS Division



Overtime Update: MCFRS

Overtime Pay as a Percent of Annual Base Salary

- Highest range using pro-rated total county salary**

- 82.5%
- 91.2%
- 93.2%
- 94.7%
- 111.6%

Number of Employees in Each Range*

Range	Total County Salary	Pro-rated Total County Salary**
0-25%	1262 99.6%	1070 85%
26-50%	5 0.4%	161 13%
51-75%	0 0.0%	31 2.4%
76%+	0 0.0%	5 0.4%
Average %	3.4%	11.0%
Total employees	1,267	

So far in calendar year 2009, the average MCFRS employee earned overtime worth 3.4% of the value of their total county salary.



*Regular, full-time employees who were actively employed on 4/16/2009

** Overtime earnings as a percent of total county salary earned so far (8 of 26 pay periods)

Overtime Update: MCFRS

Quarter-by-Quarter Summary of Overtime Use

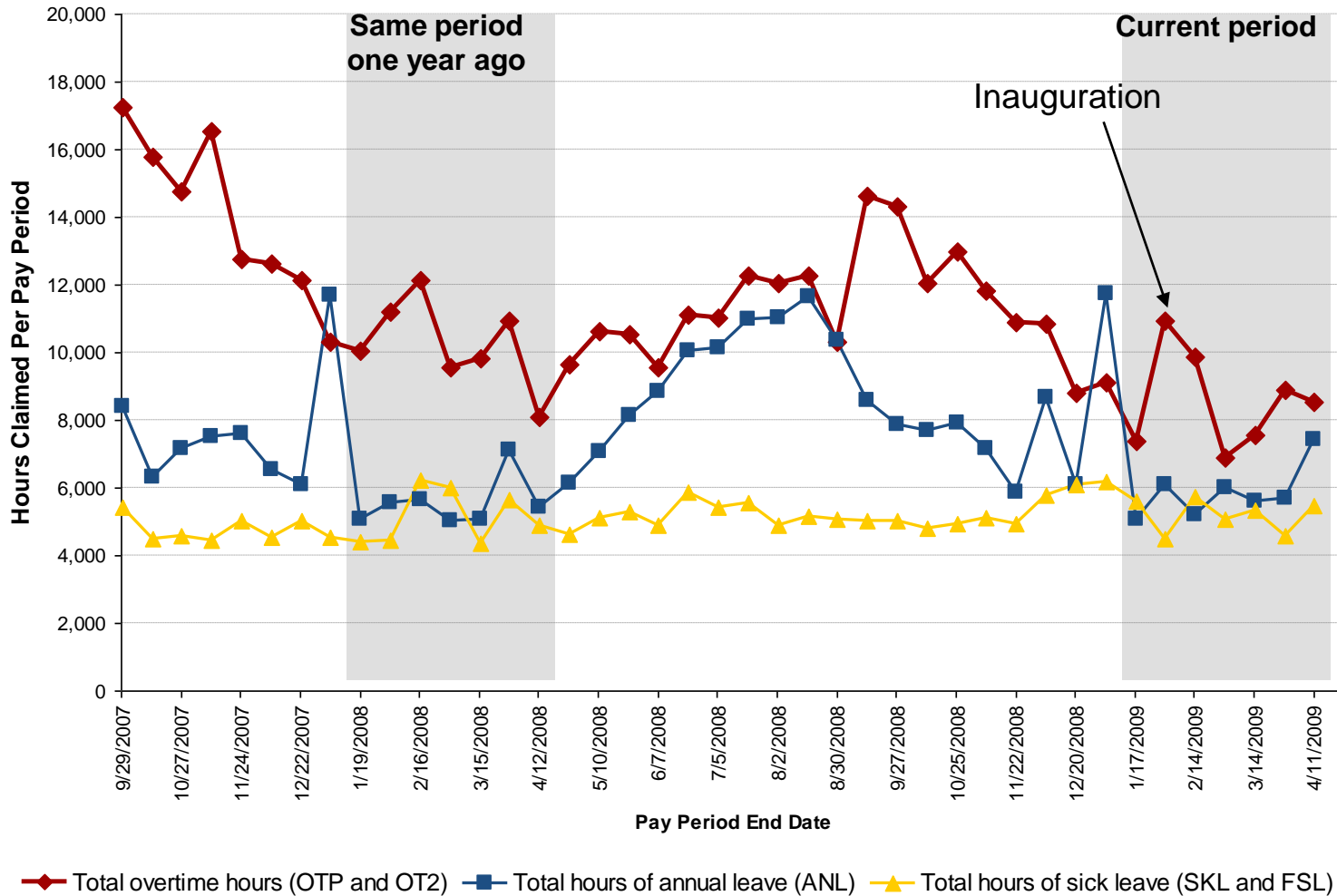
Fiscal Quarter	FY07-Q4 to FY08-Q3		FY08-Q4 to FY09-Q3		% Change	
	Hours	\$	Hours	\$	Hours	\$
Quarter 4 4/1 to 6/30	104,582	\$4,674,105	65,481	\$3,149,642	-37.4%	-32.6%
Quarter 1 7/1 to 9/30	108,559	\$5,042,699	82,327	\$4,059,819	-24.2%	-19.5%
Quarter 2 10/1 to 12/31	90,033	\$4,252,638	71,980	\$3,538,729	-20.1%	-16.8%
Quarter 3 1/1 to 3/31	68,531	\$3,273,477	55,355	\$2,777,947	-19.2%	-15.1%
Total	371,705	\$17,242,919	275,142	\$13,526,137	-26.0%	-21.6%



Pay periods that cross quarters have been prorated between the two quarters.

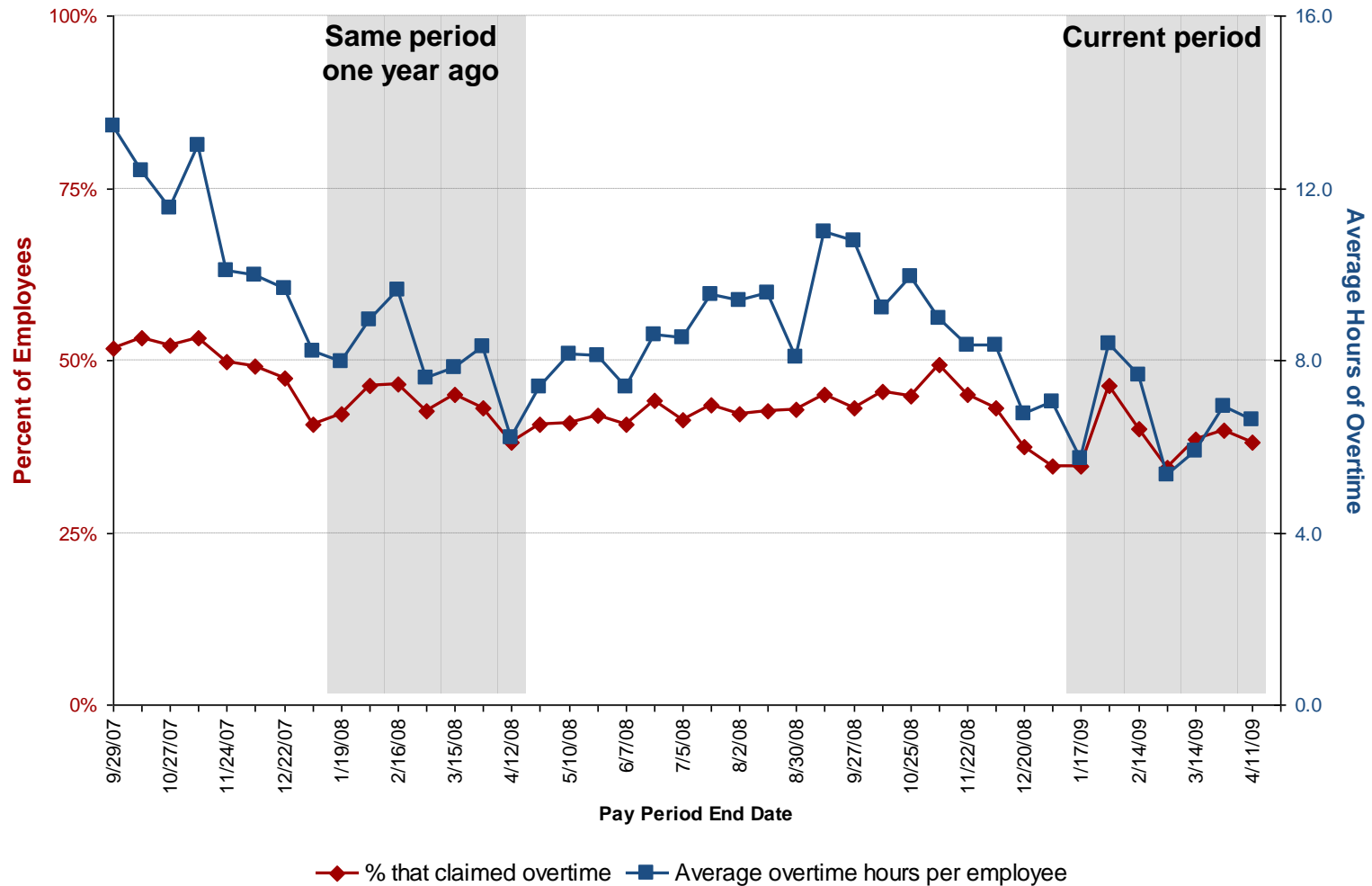
Overtime Update: MCFRS

Total Overtime, Annual Leave, and Sick Leave Hours



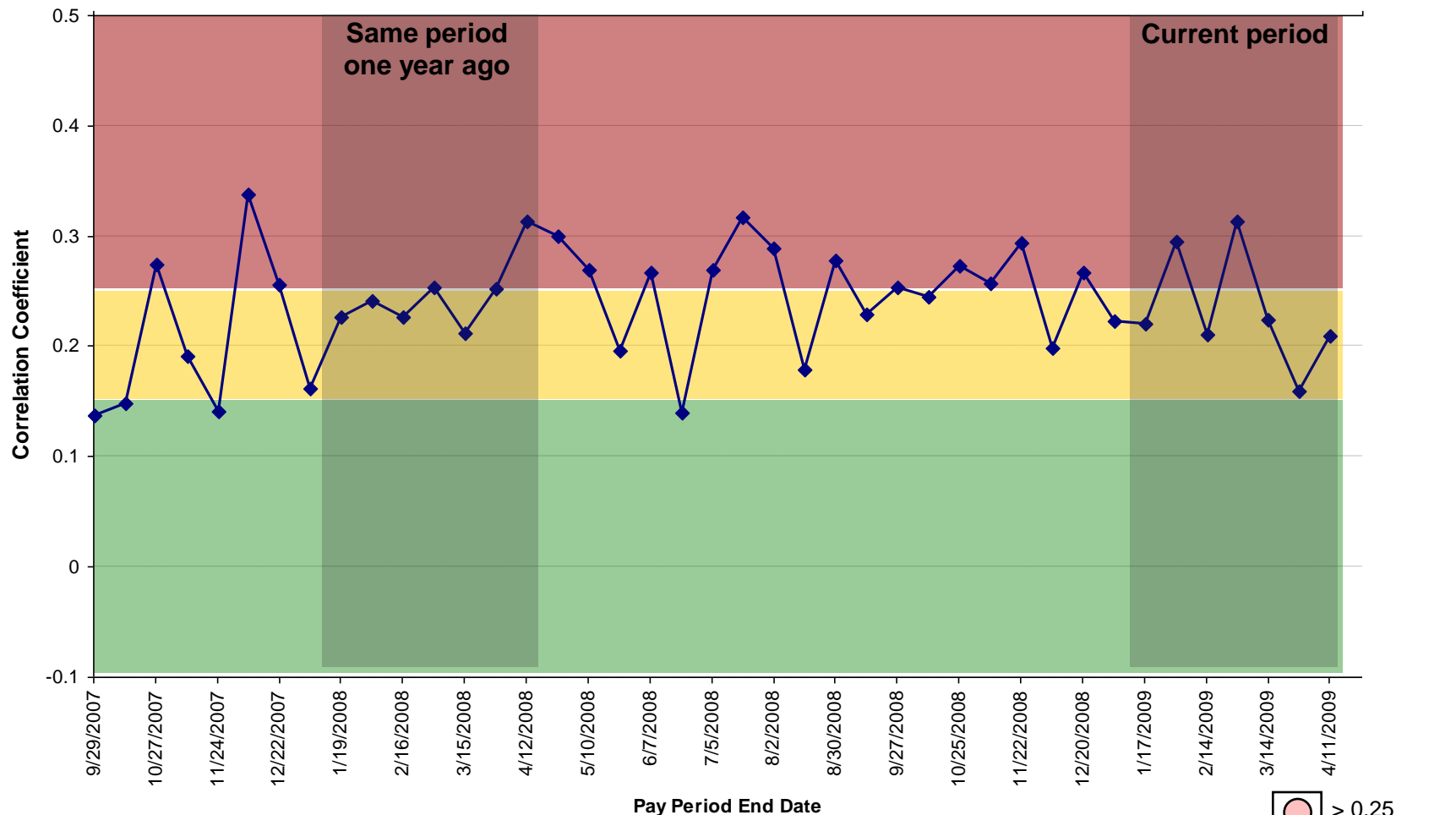
Overtime Update: MCFRS

Percent of Employees with Overtime and Average Hours



Overtime Update: MCFRS

Correlation Between Hourly Wage and Number of OT Hours

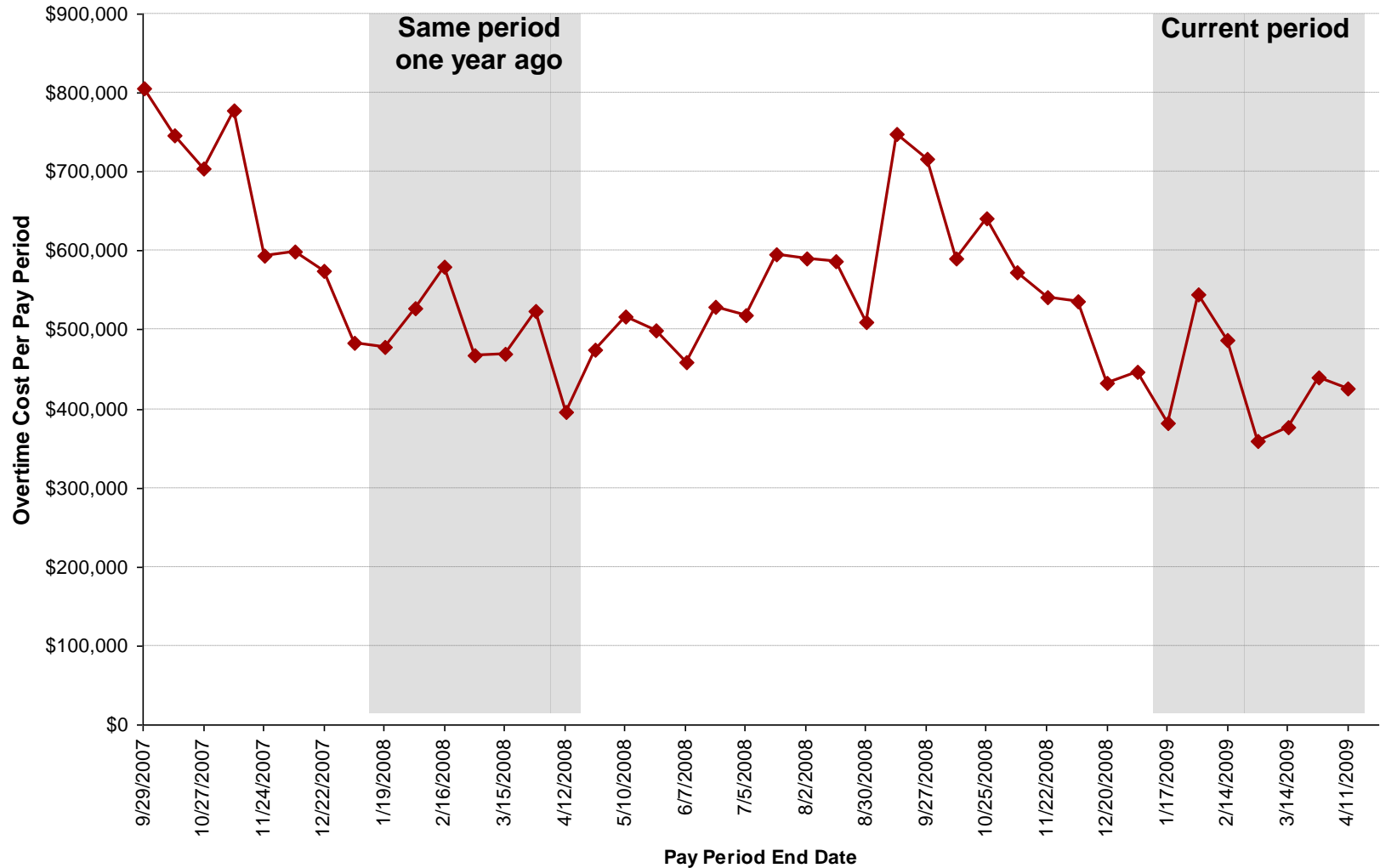


The correlation coefficient shows how likely it is that personnel with high hourly wages also earn high amounts of overtime compared to lower-paid personnel. The goal is to keep this number low.



Overtime Update: MCFRS

Total Overtime Cost



Overtime Update: MCPD

Departmental Summary of Events

FY09 Overtime Budget	FY09 Overtime Expenditures to Date	Expenditures as a % of Budget	# of Pay Periods to Date
\$10,293,465	\$7,338,990	71.3%	19.4 (74.3% of FY)
Special expenditures			
Inauguration*	\$124,158 (2,170 hrs)		

*\$50,650 (891 hours) overtime was reimbursed by DC Gov't. leaving \$73,508 unreimbursed.

Developments in overtime use and management

- Each District or Division is required to go over their overtime usage since their last MCP STAT presentation
- Two details in the near future MCPD will try to accomplish with no or realistically minimal overtime is the Tiger Woods Golf Tournament and the County Fair.



Overtime Update: MCPD

Overtime Pay as a Percent of Annual Base Salary

- **Highest range using pro-rated total county salary**

- 75.9%
- 87.7%
- 89.3%
- 89.5%
- 91.4%

Number of Employees in Each Range*

Range	Total County Salary	Pro-rated Total County Salary**
0-25%	1613 99.8%	1486 91.9%
26-50%	4 0.2%	114 7.1%
51-75%	0 0.0%	12 0.7%
76%+	0 0.0%	5 0.3%
Average %	2.8%	9.2%
Total employees	1,617	

So far in calendar year 2009, the average MCPD employee earned overtime worth 2.8% of the value of their total county salary.



*Regular, full-time employees who were actively employed on 4/16/2009

** Overtime earnings as a percent of total county salary earned so far (8 of 26 pay periods)

Overtime Update: MCPD

Quarter-by-Quarter Summary of Overtime Use

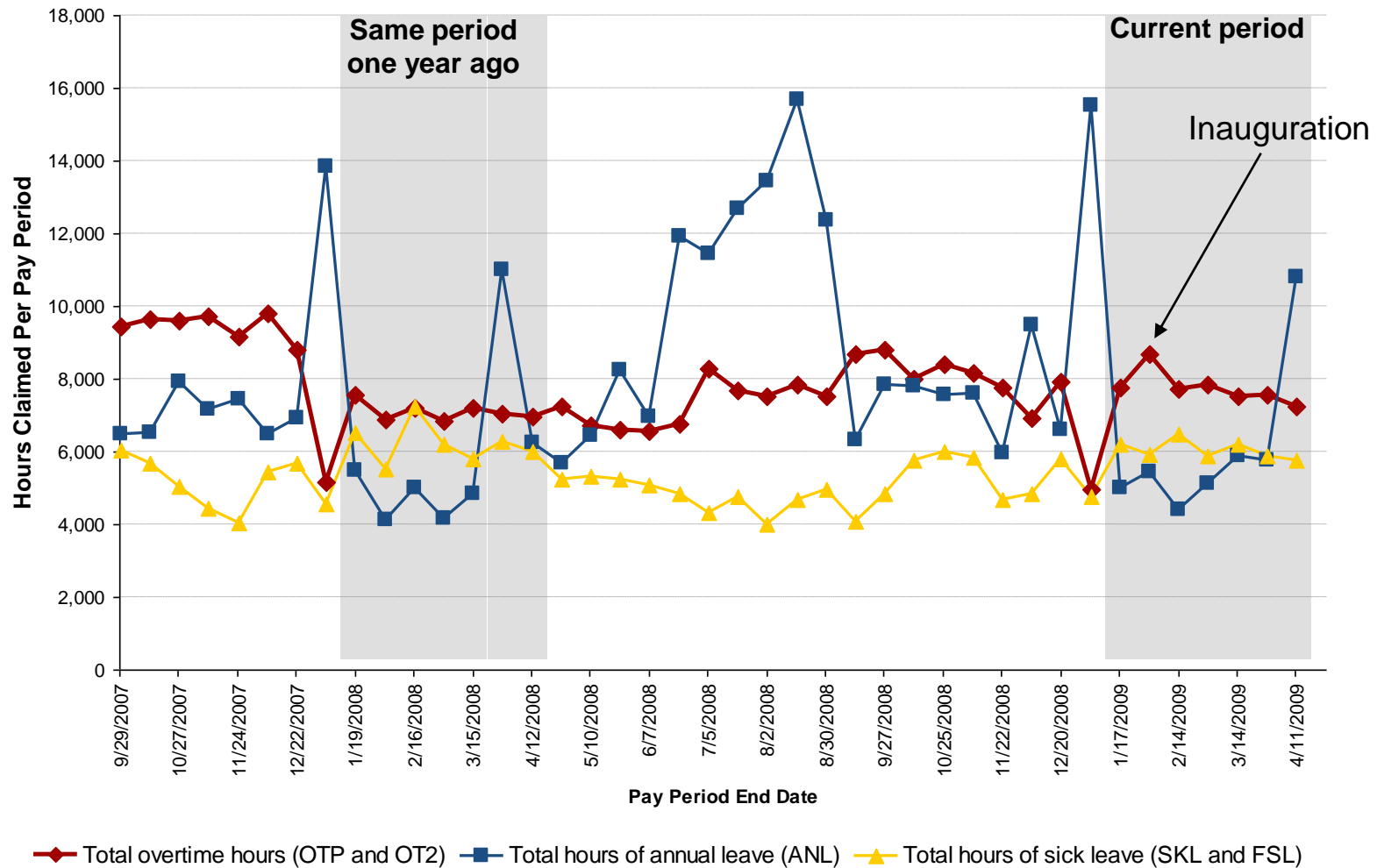
Fiscal Quarter	FY07-Q4 to FY08-Q3		FY08-Q4 to FY09-Q3		% Change	
	Hours	\$	Hours	\$	Hours	\$
Quarter 4 4/1 to 6/30	58,580	\$2,618,468	47,066	\$2,288,633	-19.7%	-12.6%
Quarter 1 7/1 to 9/30	61,177	\$2,933,117	54,704	\$2,715,085	-10.6%	-7.4%
Quarter 2 10/1 to 12/31	61,174	\$2,976,883	51,047	\$2,557,828	-16.6%	-14.1%
Quarter 3 1/1 to 3/31	47,372	\$2,309,796	51,322	\$2,615,087	8.3%	13.2%
Total	228,303	\$10,838,263	204,140	\$10,176,632	-10.6%	-6.1%



Earning codes OTP, OT2, OTL, and OTH. Includes all funds (General Fund, grants, etc.)
Pay periods that cross quarters have been prorated between the two quarters.

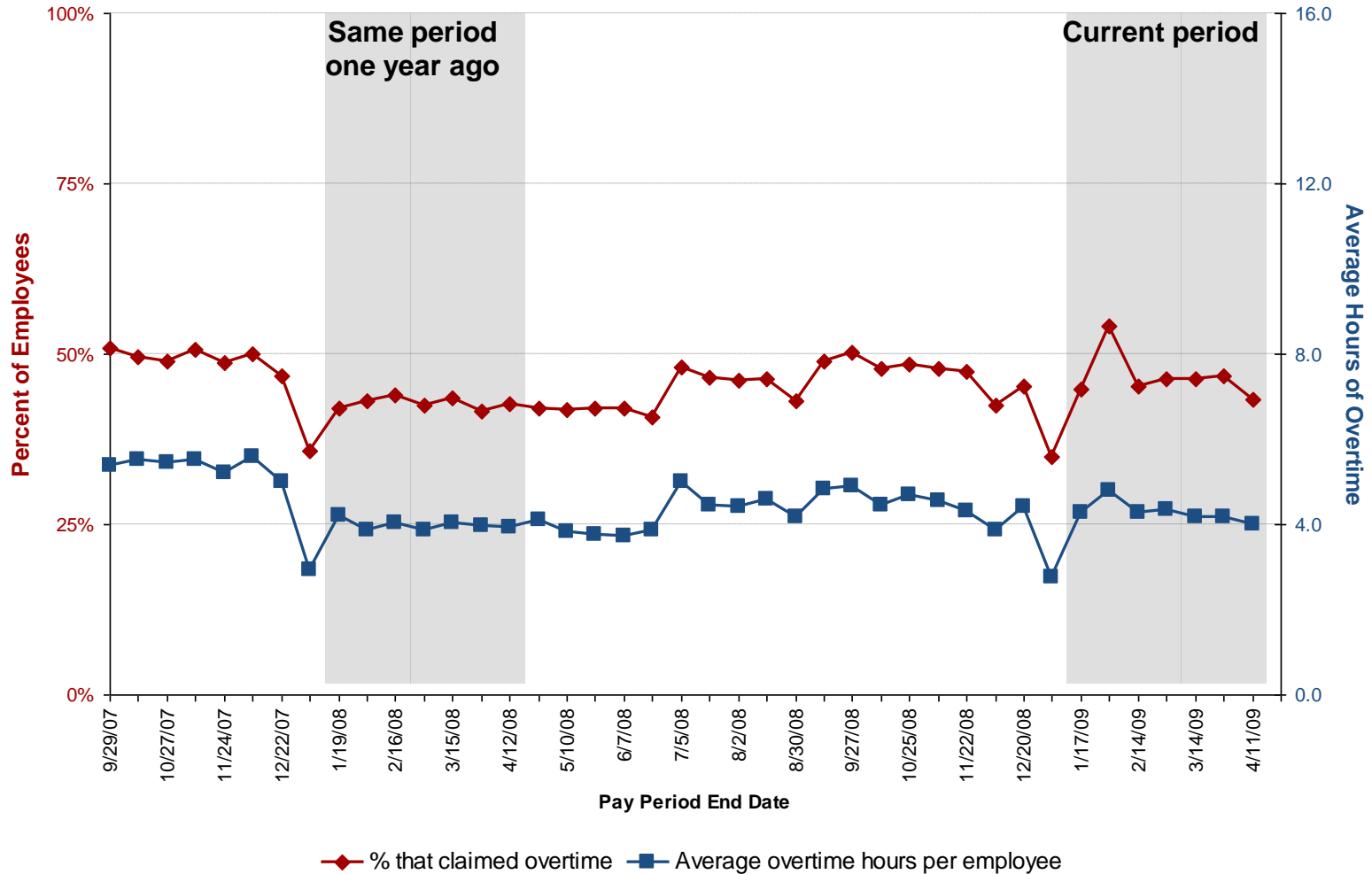
Overtime Update: MCPD

Total Overtime, Annual Leave, and Sick Leave Hours



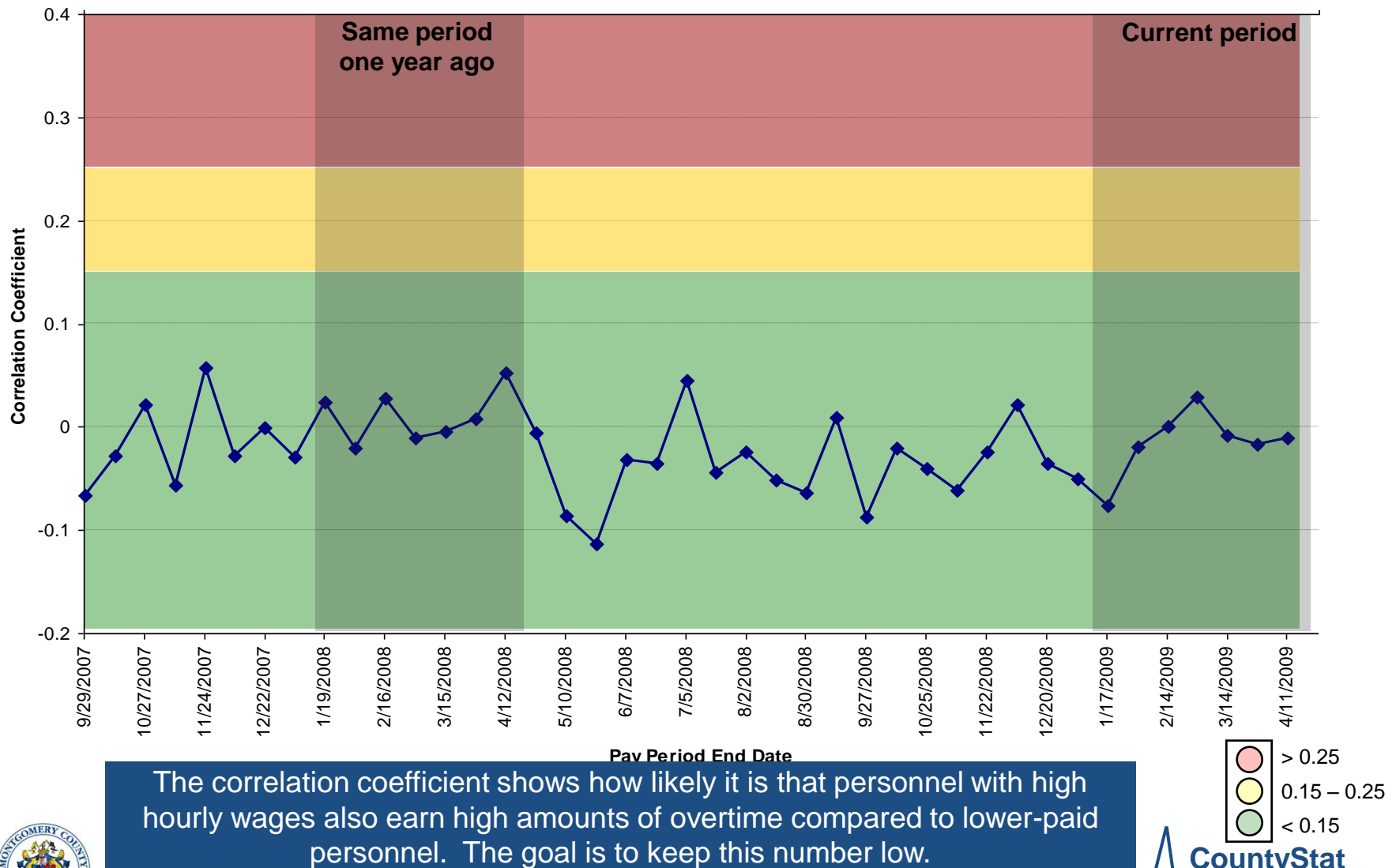
Overtime Update: MCPD

Percent of Employees with Overtime and Average Hours



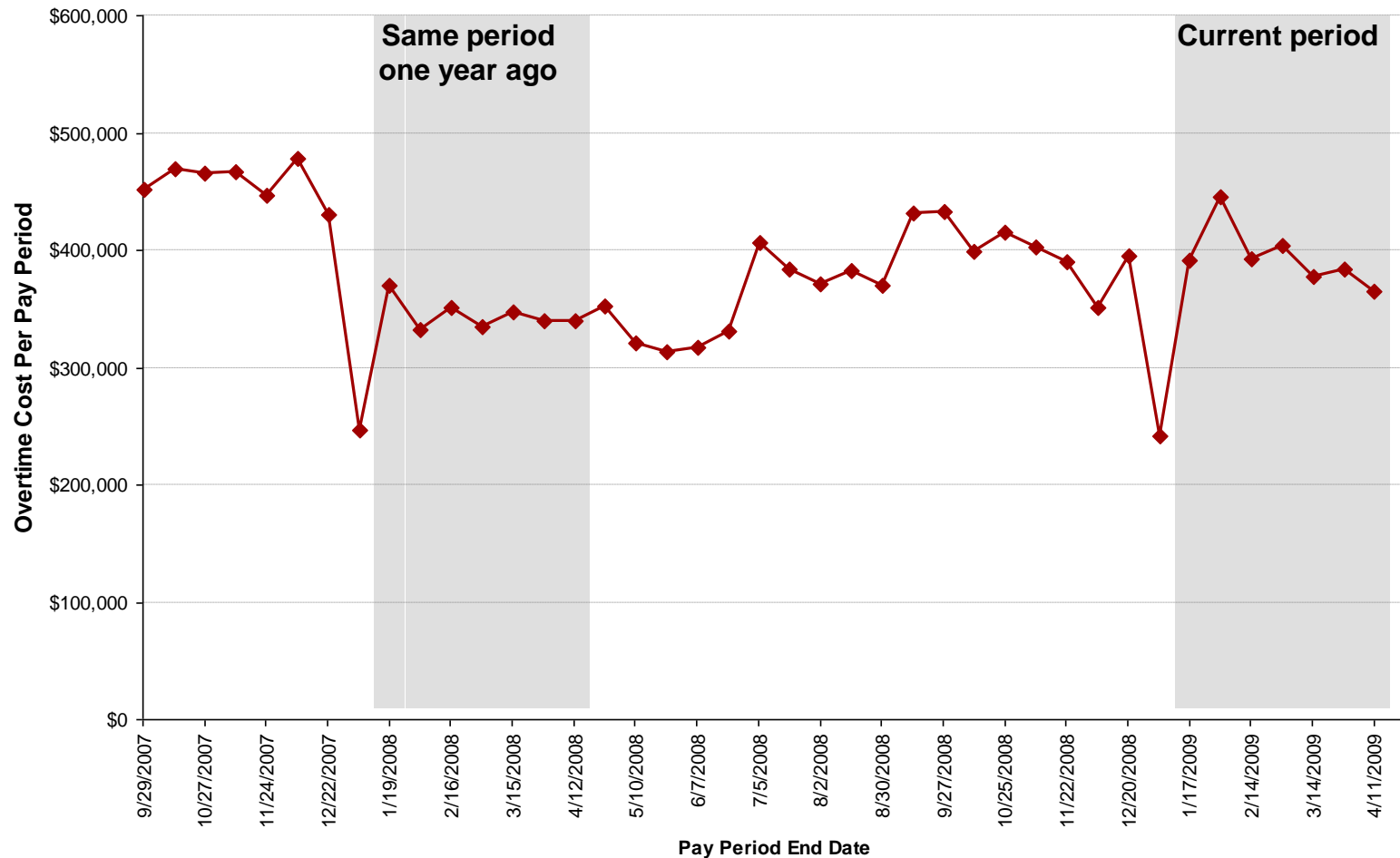
Overtime Update: MCPD

Correlation Between Hourly Wage and Number of OT Hours



Overtime Update: MCPD

Total Overtime Cost



Overtime Update: DOT Departmental Summary of Events

FY09 Overtime Budget	FY09 Overtime Expenditures to Date	Expenditures as a % of Budget	# of Pay Periods to Date
\$3,988,498	\$3,384,354	84.9%	20.4 (78.2% of FY)
Special expenditures			
Storms	\$1,252,885		
Inauguration	\$119,599		

Developments in overtime use and management

- There was a spike in Ride-On's overtime during the first week of March. Several drivers had missed their appointments for medical examinations required to maintain Federal DOT certification and therefore could not drive. Within a week, those examinations took place and the drivers returned to active duty. After discussion with the Union, DOT will take disciplinary action in the future for failure to maintain qualifications.
- Highway Services has spent approximately \$80,000 (unbudgeted) in overtime responding to water main breaks. This is higher than usual.



Overtime Update: DOT

Overtime Pay as a Percent of Annual Base Salary

- Highest overtime earnings as a percent of pro-rated total county salary
 - 69.8%

Number of Employees in Each Range*

Range	Total County Salary	Pro-rated Total County Salary**
0-25%	1238 100%	998 81%
26-50%	0 0.0%	227 18%
51-75%	0 0.0%	13 1.1%
76%+	0 0.0%	0 0.0%
Average %	4.2%	13.6%
Total employees	1,238	

So far in calendar year 2009, the average DOT employee earned overtime worth 4.2% of the value of their total county salary.



*Regular, full-time employees who were actively employed on 4/16/2009

** Overtime earnings as a percent of total county salary earned so far (8 of 26 pay periods)

Overtime Update: DOT

Quarter-by-Quarter Summary of Overtime Use

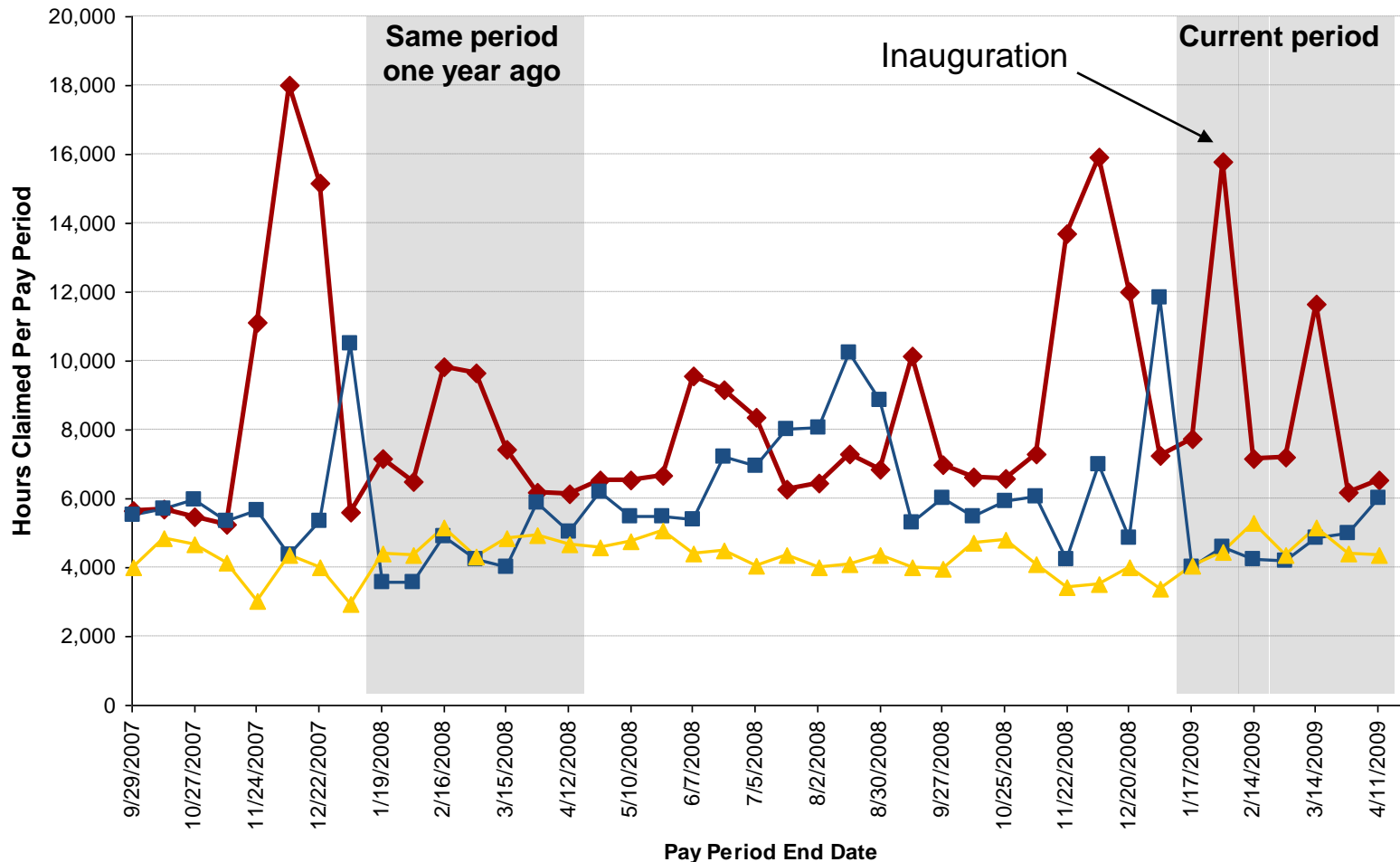
Fiscal Quarter	FY07-Q4 to FY08-Q3		FY08-Q4 to FY09-Q3		% Change	
	Hours	\$	Hours	\$	Hours	\$
Quarter 4 4/1 to 6/30	40,458	\$1,310,396	50,690	\$1,682,137	25.3%	28.4%
Quarter 1 7/1 to 9/30	40,288	\$1,354,181	50,225	\$1,753,396	24.7%	29.5%
Quarter 2 10/1 to 12/31	65,971	\$2,189,862	67,839	\$2,285,151	2.8%	4.4%
Quarter 3 1/1 to 3/31	51,290	\$1,767,761	59,399	\$2,089,322	15.8%	18.2%
Total	198,008	\$6,622,201	228,152	\$7,810,006	15.2%	17.9%

Amounts prior to the reorganization have been calculated using a crosswalk of index codes provided by OMB. Earning codes OTP, OT2, OTL, and OTH. Includes all funds (General Fund, grants, etc.) Pay periods that cross quarters have been prorated between the two quarters.



Overtime Update: DOT

Total Overtime, Annual Leave, and Sick Leave Hours

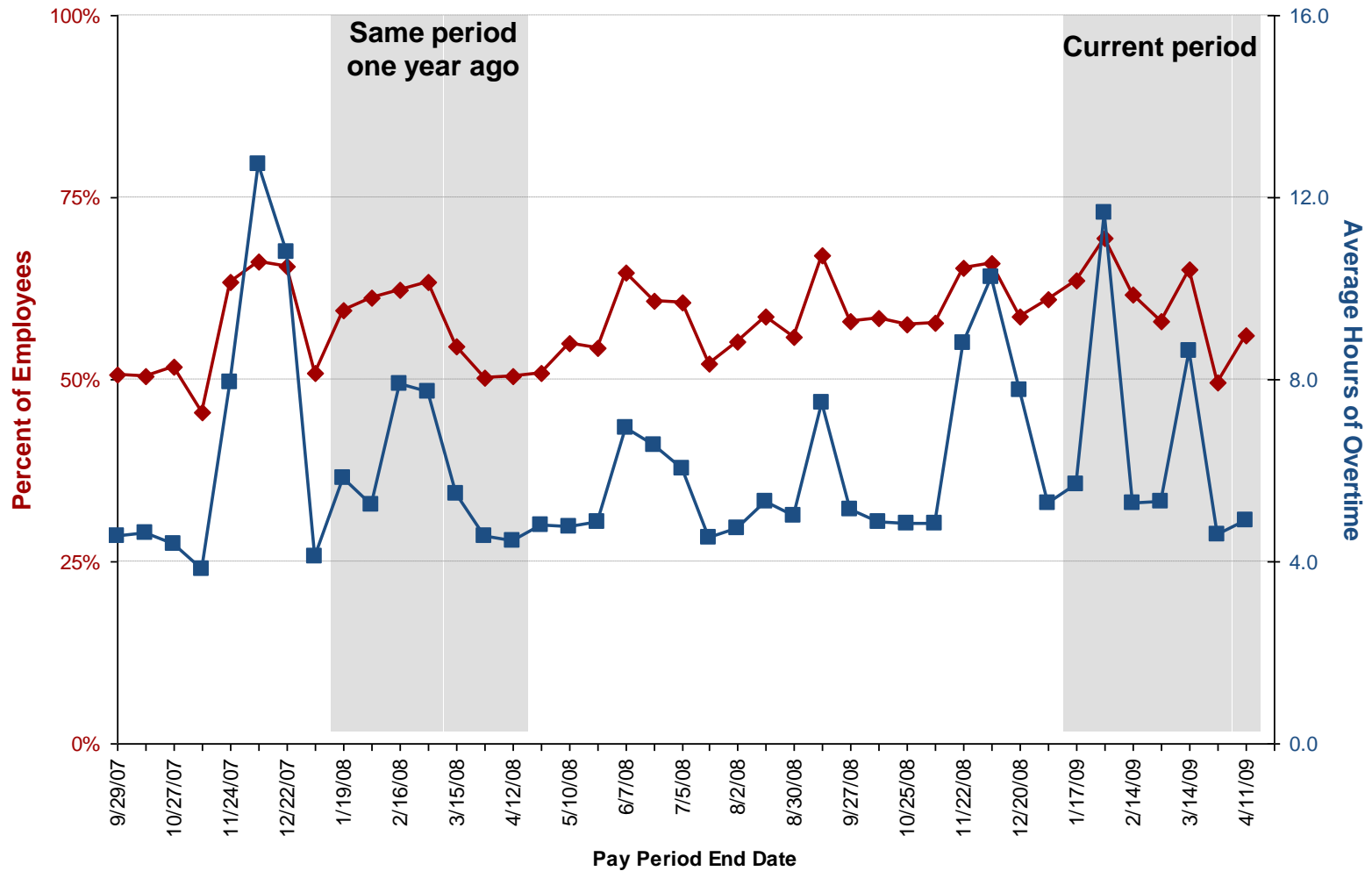


◆ Total overtime hours (OTP and OT2) ■ Total hours of annual leave (ANL) ▲ Total hours of sick leave (SKL and FSL)



Overtime Update: DOT

Percent of Employees with Overtime and Average Hours

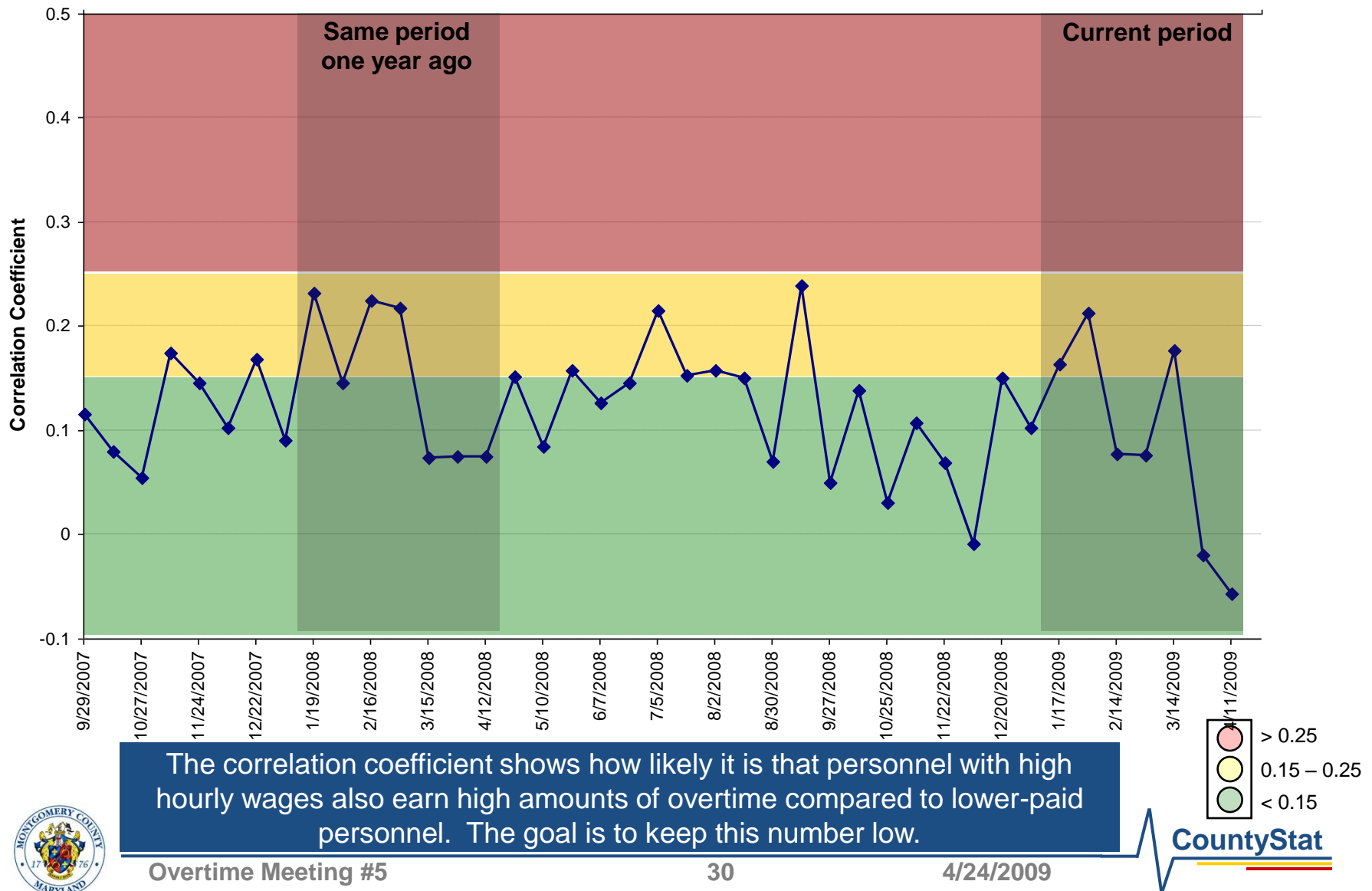


◆ % that claimed overtime ■ Average overtime hours per employee



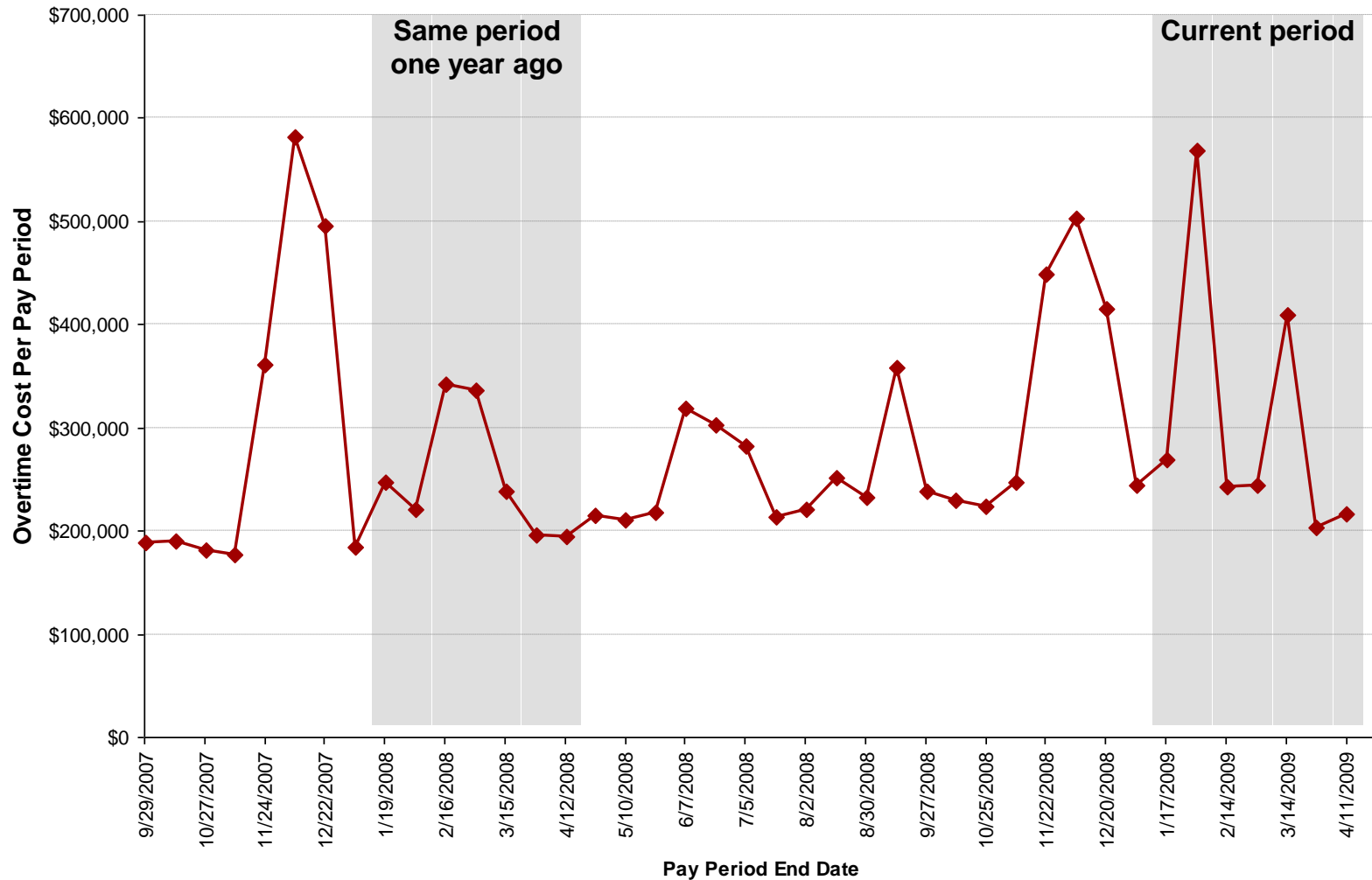
Overtime Update: DOT

Correlation Between Hourly Wage and Number of OT Hours



Overtime Update: DOT

Total Overtime Cost



Overtime Update: DOCR

Departmental Summary of Events

FY09 Overtime Budget	FY09 Overtime Expenditures to Date	Expenditures as a % of Budget	# of Pay Periods to Date
\$3,779,030*	\$2,931,230*	77%	19.4 (74.3% of FY)
Special expenditures			
Inauguration	\$3,872		

* Includes lunch/roll call overtime (salaries only)

Developments in overtime use and management

- **PRRS:** The new schedule is allowing for much better overtime management, resulting in a savings of \$50,000+ from the 2nd to 3rd quarter.
- **Detention Services:** Continuing with no change in operations, oversight, or patterns. Overtime use had been steadily declining until a recent uptick concurrent with the implementation of MCtime for DOCR in mid-February; per the MCGEO agreement, overtime starts on the first minute and is now paid minute-by-minute. The CSSD system continues to be used for every shift to manage overtime and shift assignments and to provide enhanced data and analysis.



Overtime Update: DOCR

Overtime Pay as a Percent of Total County Salary

- Highest range using pro-rated total county salary
 - 75.6%
 - 83.9%
 - 101.3%

Number of Employees in Each Range*

Range	Total County Salary	Pro-rated Total County Salary**
0-25%	544 99.6%	507 93%
26-50%	2 0.4%	32 5.9%
51-75%	0 0.0%	4 0.7%
76%+	0 0.0%	3 0.5%
Average %	3.1%	10.1%
Total employees	546	

So far in calendar year 2009, the average DOCR employee has earned overtime worth 3.1% of the value of their total county salary.



* Regular, full-time employees who were actively employed on 4/16/2009

** Overtime earnings as a percent of total county salary earned so far (8 of 26 pay periods)

Overtime Update: DOCR

Quarter-by-Quarter Summary of Overtime Use

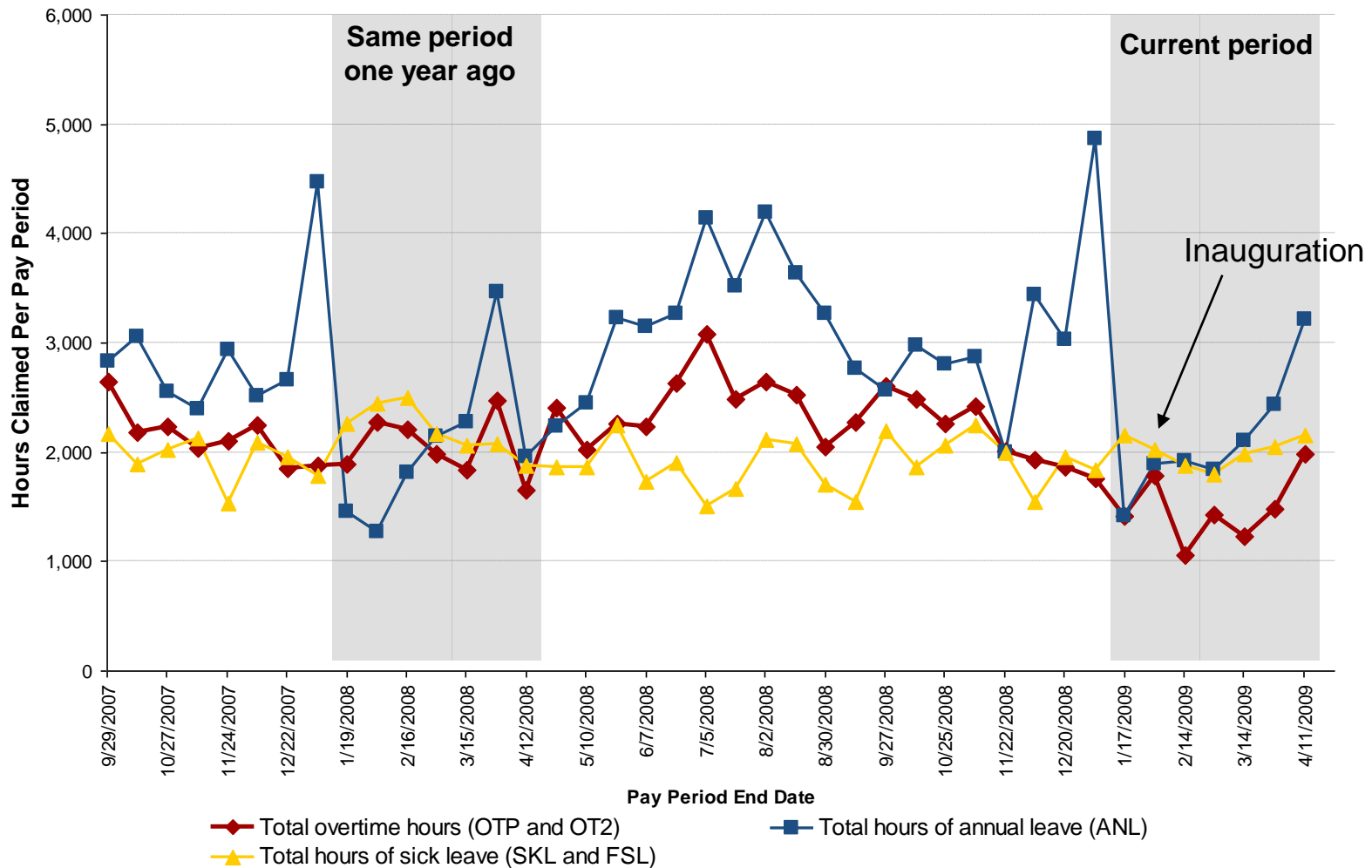
Fiscal Quarter	FY07-Q4 to FY08-Q3		FY08-Q4 to FY09-Q3		% Change	
	Hours	\$	Hours	\$	Hours	\$
Quarter 4 4/1 to 6/30	28,037	\$1,068,632	23,548	\$971,314	-16.0%	-9.1%
Quarter 1 7/1 to 9/30	27,512	\$1,092,643	25,115	\$1,095,982	-8.7%	0.3%
Quarter 2 10/1 to 12/31	22,974	\$923,309	22,915	\$997,617	-0.3%	8.0%
Quarter 3 1/1 to 3/31	22,272	\$902,008	17,842	\$785,544	-19.9%	-12.9%
Total	100,795	\$3,986,592	89,420	\$3,850,457	-11.3%	-3.4%



Pay periods that cross quarters have been prorated between the two quarters.

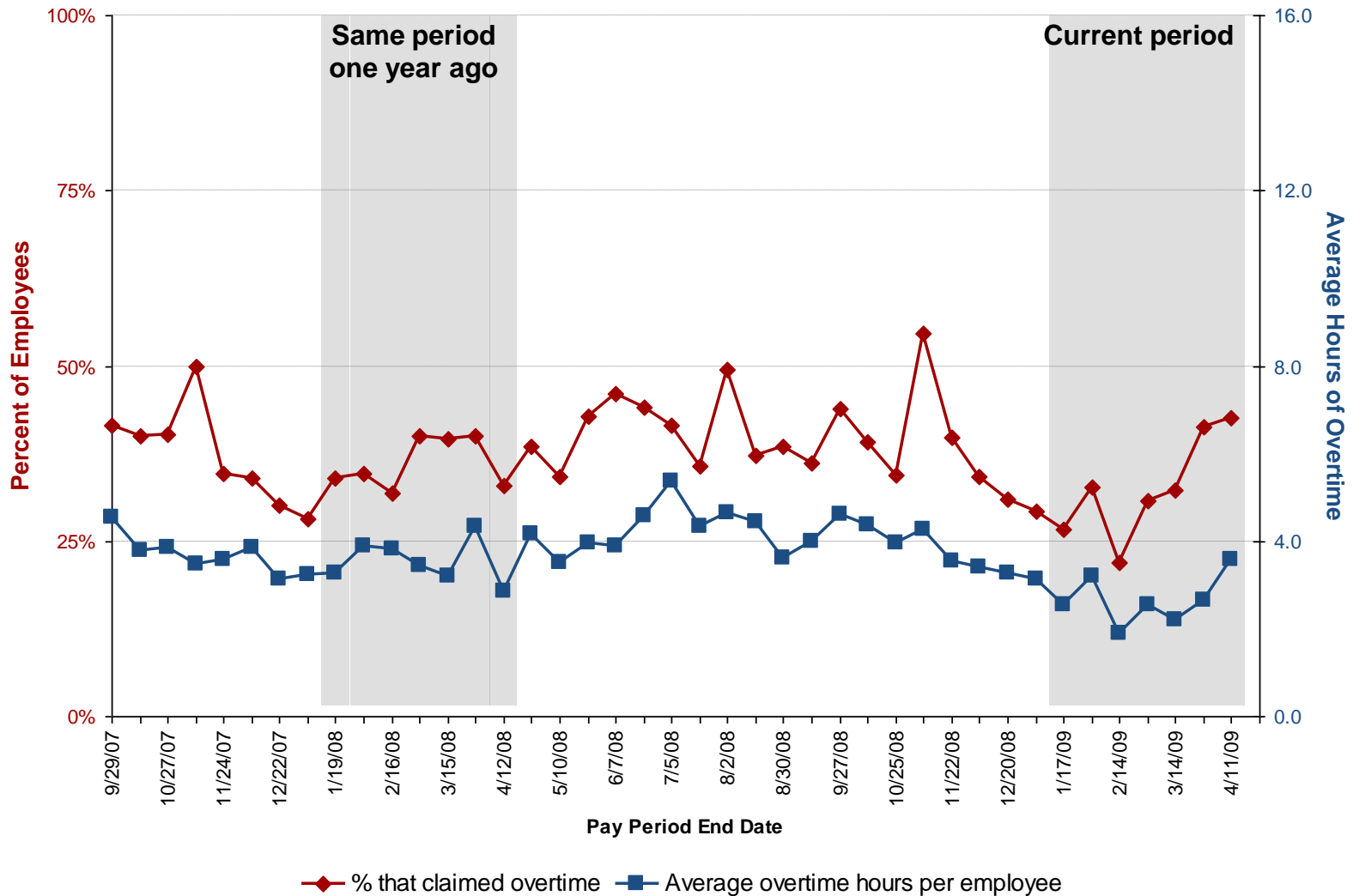
Overtime Update: DOCR

Total Overtime, Annual Leave, and Sick Leave Hours



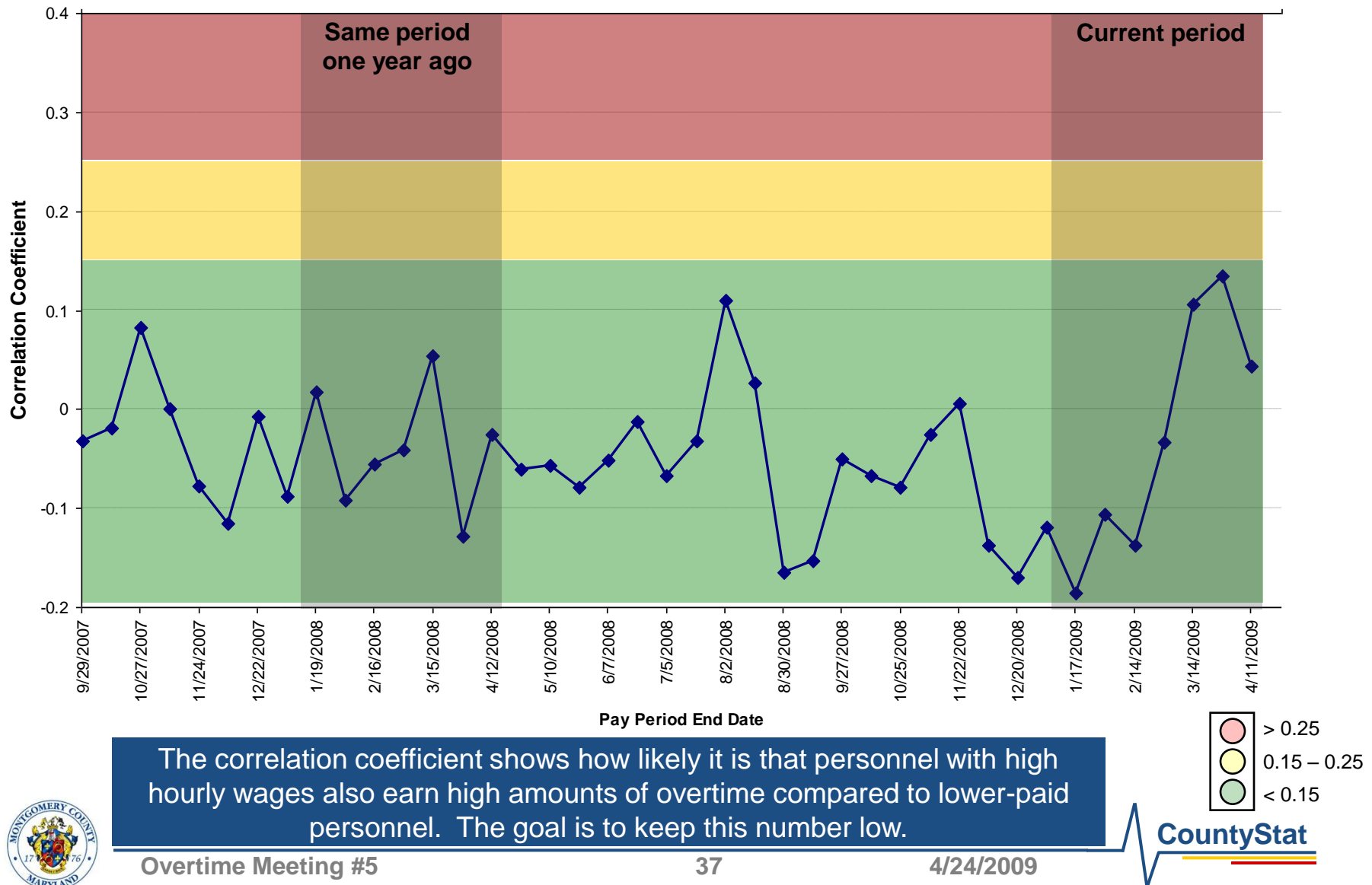
Overtime Update: DOCR

Percent of Employees with Overtime and Average Hours



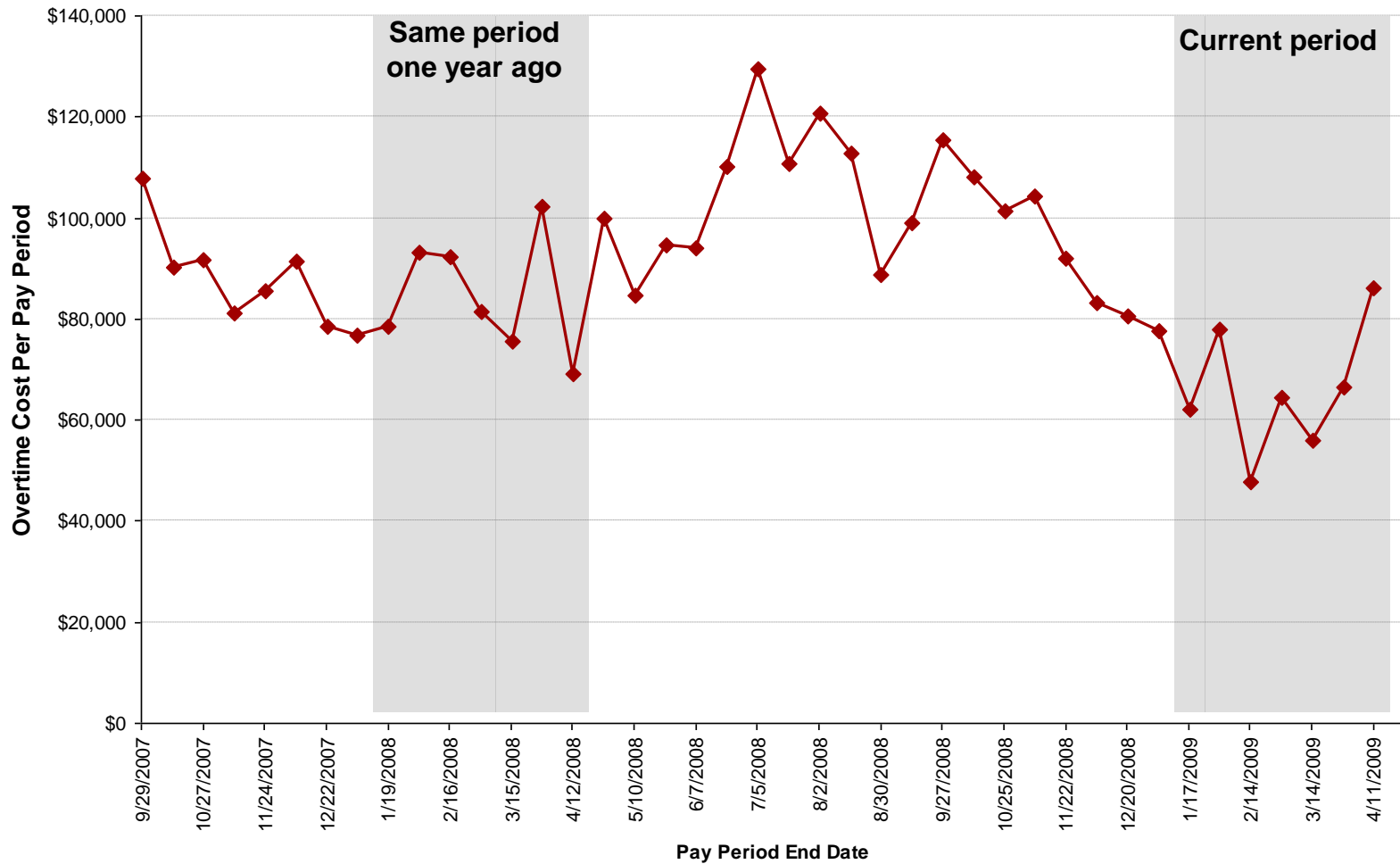
Overtime Update: DOCR

Correlation Between Hourly Wage and Number of OT Hours



Overtime Update: DOCR

Total Overtime Cost



Tracking Overtime Across All Departments

- **CountyStat and Finance will be producing a regular quarterly report showing overtime use across all departments**
 - Report will be delivered to the CAO and to all department directors
- **The report will monitor core overtime (not differentials) and will track both hours of overtime and overtime cost**



Tracking Overtime Across All Departments

- Overtime hours and cost for the current quarter are compared with amounts from the previous quarter and the same quarter last year
- If the overtime cost is more than \$10,000 in a quarter or more than 300 hours in a quarter, then percent changes are calculated
 - **Red:** more than 20% increase
 - **Yellow:** 0 – 20% increase
 - **Green:** 0% increase or a decrease
- Historical data for DOT, DGS, and DEP was constructed using a crosswalk of index codes from before the reorganization to after

Summary of Overtime Use in Dollars – FY09-Q3

Department	FY09-Q3	FY09-Q2		FY08-Q3	
	Current quarter	Previous quarter	% change from previous quarter	Same quarter one year ago	% change from one year ago
MCFRS	\$2,777,947	\$3,538,729	-21.5%	\$3,273,477	-15.1%
MCPD	\$2,615,087	\$2,557,828	2.2%	\$2,309,796	13.2%
DOT	\$2,089,322	\$2,285,151	-8.6%	\$1,767,761	18.2%
DOCR	\$785,544	\$997,617	-21.3%	\$902,008	-12.9%
DGS	\$638,352	\$539,393	18.3%	\$395,375	61.5%
SHF	\$219,286	\$219,335	0.0%	\$262,533	-16.5%
BOE	\$4,600	\$455,580	-99.0%	\$401,449	-98.9%
HHS	\$130,006	\$166,497	-21.9%	\$106,096	22.5%
DLC	\$83,500	\$227,554	-63.3%	\$122,829	-32.0%
DPS	\$66,962	\$84,373	-20.6%	\$106,064	-36.9%
RSC	\$22,770	\$83,893	-72.9%	\$40,974	-44.4%
REC	\$28,440	\$35,867	-20.7%	\$39,941	-28.8%
DEP	\$38,766	\$49,694	-22.0%	\$23,206	67.1%
OEMHS	\$3,141	\$1,295	142.6%	\$50,535	-93.8%
DTS	\$18,649	\$25,689	-27.4%	\$19,717	-5.4%
FIN	\$2,516	\$14,060	-82.1%	\$636	295.3%
LIB	\$9	\$165		\$6,826	
Credit Union	\$6,833	\$10,008	-31.7%	\$1,782	283.5%
DHCA	\$762	\$2,841		\$1,288	
CCL	\$2,356	\$1,784		\$3,868	
OCA	\$3,370	\$2,729		\$1,128	
ECM	\$0	\$1,980		\$4,846	
CCT	\$3,207	\$286		\$2,991	
OHR	\$836	\$290		\$1,646	
OMB	\$1,242	\$731		\$900	
BOA	\$363	\$312		\$7,788	
CUPF	\$413	\$704		\$324	
PIO	\$857	\$0		\$684	
HRC	\$0	\$341		\$0	
CEX	\$147	\$286		\$646	
IGR	\$0	\$0		\$2,181	
DED	\$325	\$168		\$361	
OCF	\$0	\$0		\$0	
CFW	\$0	\$0		\$0	
Total	\$9,545,606	\$11,305,179	-15.6%	\$9,859,657	-3.2%

Overtime use in dollars is shown for the most recent quarter. Overtime use during the quarter is compared with use during the previous quarter and during the same quarter one year ago. Percent changes are calculated for departments that had at least \$10,000 in overtime costs in a quarter. Where percent change is shown, color coding is done using the following scale.

- Red: More than 20% increase over the previous time period
- Yellow: 0 – 20% increase over the previous time period
- Green: 0% increase or any decrease over the previous time period



Tracking Our Progress

■ Meeting Goals:

- Monitor overtime use within MCFRS, MCPD, DOT, and DOCR
 - Ensure proper management and cost effectiveness of overtime use
 - Highlight operational and seasonal cycles in overtime use
 - Examine the effect of current departmental practices and changes to those practices on overtime use
 - Review the effect of specific occurrences on departmental overtime

■ How will we measure success

- Departments stabilize or reduce overtime hours



Wrap-up

- **Confirmation of follow-up items**
- **Time frame for next meeting**

